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Proposed Attorneys for W. Donald Gieseke, Trustee

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEVADA

* * * * *

IN RE:

Lead Case No.: BK-19-50102-btb
(Chapter 7)

DOUBLE JUMP, INC.

Jointly Administered with:

- ☐ AFFECTS THIS DEBTOR
- ☒ AFFECTS DORA DOG PROPERTIES, LLC
- ☒ AFFECTS DOG BLUE PROPERTIES, LLC
- ☒ AFFECTS BRANDY BOY PROPERTIES, LLC
- ☒ AFFECTS 475 CHANNEL ROAD, LLC
- ☒ AFFECTS PARK ROAD, LLC
- ☒ AFFECTS 140 MASON CIRCLE, LLC
- ☐ AFFECTS DC SOLAR SOLUTIONS, INC.
- ☐ AFFECTS DC SOLAR DISTRIBUTION, INC.
- ☐ AFFECTS DC SOLAR FREEDOM, INC.
- ☐ AFFECTS ALL DEBTORS.

19-50103-btb	Dora Dog Properties, LLC
19-50104-btb	Dog Blue Properties, LLC
19-50105-btb	Brandy Boy Properties, LLC
19-50106-btb	475 Channel Road, LLC
19-50108-btb	Park Road, LLC
19-50109-btb	140 Mason Circle, LLC
19-50130-btb	DC Solar Solutions, Inc.
19-50131-btb	DC Solar Distribution, Inc.
19-50135-btb	DC Solar Freedom, Inc.

MOTION FOR ORDER AUTHORIZING TRUSTEE TO OPERATE BUSINESSES BY RENTING REAL PROPERTIES AND PAY ONGOING ADMINISTRATIVE EXPENSES RELATED THERETO PURSUANT TO 11 U.S.C. §§363(b)(1), 721 AND 503(b)

Hearing Date: OST Pending
Hearing Time:
Est. Time:
Set By:

1 W. Donald Gieseke, Trustee for the Chapter 7 bankrupt estates of six (6) of the ten (10)
 2 Jointly Administered Debtors, specifically, DORA DOG PROPERTIES, LLC; DOG BLUE
 3 PROPERTIES, LLC; BRANDY BOY PROPERTIES, LLC; 475 CHANNEL ROAD, LLC;
 4 PARK ROAD, LLC; and 140 MASON CIRCLE, LLC, by and through his proposed counsel
 5 STEPHEN R. HARRIS, ESQ. of HARRIS LAW PRACTICE LLC, requests entry of an order
 6 allowing Trustee to operate businesses by renting real properties and pay ongoing necessary
 7 administrative expenses related thereto incurred in the administration of the jointly administered
 8 estates as detailed herein ("Motion"). This request is made pursuant to 11 U.S.C. §§363(b)(1),
 9 721 and 503(b).

10

11 I. BACKGROUND

12 1. Debtor DORA DOG PROPERTIES, LLC; Debtor DOG BLUE PROPERTIES,
 13 LLC; Debtor BRANDY BOY PROPERTIES, LLC; Debtor 475 CHANNEL ROAD, LLC;
 14 Debtor PARK ROAD, LLC; and Debtor 140 MASON CIRCLE, LLC, each filed a Chapter 11
 15 Petition on January 30, 2019 ("Petition Date"). On February 12, 2019, this Court entered its Order
 16 jointly administering the ten (10) related Chapter 11 cases, designating Double Jump, Inc. as the
 17 lead case. On March 22, 2019, this Court entered its Order converting the cases to Chapter 7
 18 proceedings, and on March 22, 2019, W. Donald Gieseke was duly appointed as the Chapter 7
 19 interim trustee ("Trustee") for six (6) of the ten (10) jointly administered cases (Case Nos. 19-
 20 50103; 19-50104; 19-50105; 19-50106; 19-50108; and 19-50109); collectively the "Real Estate
 21 Debtors").

22 2. The Trustee is informed and believes that the Real Estate Debtors own
 23 approximately forty-one (41) real properties located in various states and countries, including
 24 Mexico, which detailed list of properties owned by each Real Estate Debtor is attached hereto as
 25 **Exhibit "A"** ("Real Properties"). Some of the subject Real Properties listed on the attached
 26 **Exhibit "A"** are subject to pending forfeiture action filed in U.S. District Court (United States v.
 27 Real Property Located at 725 Main Street, etc., et al., 2:19-cv-247-JAM-DB (E.D. Cal.)) (herein
 28 "Forfeiture Action"), and the Trustee does not seek authorization to operate/rent and/or sell those

1 properties until the forfeiture action is resolved or by mutual agreement of the parties.

2 3. The Trustee requests authorization from this Court to operate the Real Properties
3 as a “business” pursuant to 11 U.S.C. §363(b) and §721 until the Real Properties are sold, or
4 otherwise disposed of. 11 U.S.C. §363(b)(1) states as follows:

5 The trustee, after notice and a hearing, may use, sell, or lease, other than in
6 the ordinary course of business, property of the estate, except that if the debtor in
7 connection with offering a product or a service discloses to an individual a policy
8 prohibiting the transfer of personally identifiable information about individuals to
9 persons that are not affiliated with the debtor and if such policy is in effect on the
10 date of commencement of the case, then the trustee may not sell or lease personally
11 identifiable information to any person unless –

12 (A) Such sale or such lease is consistent with such policy; or

13 (B) After appointment of a consumer privacy ombudsman in accordance
14 with section 332 and after notice and a hearing, the court approves such
15 sale or such lease -

16 ...

17 11 U.S.C. §363(b)(1). The exceptions identified in §363(b)(1) which would prevent the Trustee
18 from leasing the Real Properties are not applicable in this case. Additionally, 11 U.S.C. §721
19 states as follows:

20 The court may authorize the trustee to operate the business of the debtor for a
21 limited period, if such operation is in the best interest of the estate and consistent
22 with the orderly liquidation of the estate.

23 11 U.S.C. §721. The continued operation of a bankrupt estate’s business is a matter within the
24 sound discretion of the court. California State Board of Equalization v. Goggin, 191 F.2d 726
25 (9th Cir. 1951), *citing* R.J. Reynolds Tobacco Co. v. A.B. Jones, Inc., 54 F.2d 329 (8th Cir. 1931).
26 The trustee is not empowered merely by virtue of his appointment to conduct the business of the
27 bankrupt. Id., *citing* In re Richter, 40 F. Supp. 758 (D.N.Y. 1941).

28 4. The Trustee has not completed his review of the status of these Real Properties but

1 seeks approval to operate/rent any or all of the Real Properties as he deems appropriate using his
 2 best business judgment, and that renting the subject Real Properties until such time as they can
 3 be sold is in the best interests of these estates, as it will generate rental income for the benefit of
 4 the estates. Pursuant to 11 U.S.C. §704(a), the Trustee is charged with a duty to “collect and
 5 reduce to money the property of the estate for which such trustee serves, and close such estate as
 6 expeditiously as is compatible with the best interests of the parties in interest.” In the instant
 7 cases, the Trustee believes that renting some or all of the Real Properties before they can be sold
 8 will result in additional proceeds for the estates. If the Trustee rents the Real Properties for a
 9 period of time, he can collect rental revenues to offset ongoing expenses required to maintain and
 10 preserve the Real Properties, and can most likely sell the Real Properties for a better profit at a
 11 later date in light of increasing real estate values nationwide. Moreover, because these Chapter 7
 12 cases have other litigation pending and cannot be closed anyway until the litigation is resolved,
 13 renting the Real Properties will not cause the cases to remain open any longer than necessary.
 14 Additionally, the Trustee will file periodic reports and summaries of the operations of the
 15 businesses, including any receipts and disbursements pursuant to 11 U.S.C. §704(a)(8).

16 5. Lastly, the Trustee requests that the Court authorize payment of fees, repairs,
 17 maintenance and ongoing expenses related to the operation and/or sale of the Real Properties, as
 18 well as allowing the Trustee to expend monies of the estates consistent with the duties and
 19 responsibilities of the Trustee, including but not limited to, securing and insuring properties,
 20 accessing and securing hardcopy and electronic records, use of non-professionals to protect
 21 properties and those necessary administrative expenses including fees, repairs, maintenance and
 22 ongoing expenses related to the Real Properties, as allowed 11 U.S.C. §503(b) administrative
 23 expenses, paid regularly in the ordinary course of business not to exceed \$50,000.00, without
 24 need for further approval by the Court. Trustee is requesting Court approval of the administrative
 25 expenses to comply as may be necessary by In re Cloobek, 788 F.3d 1243 (9th Cir. 2015) after
 26 notice and hearing. The Trustee has approximately \$295,000.00 on deposit with bank accounts
 27 that are mandated and directed by the Office of the United States Trustee.

28 **WHEREFORE**, Trustee respectfully requests that this Court enter its order: (1) to

1 authorize the Trustee to lease/rent/operate any or all of the Real Properties attached hereto as
2 **Exhibit "A"** that are not part of the Forfeiture Action, pursuant to 11 U.S.C. §363(b) and §721,
3 as he deems appropriate and necessary and to pay all expenses related thereto as administrative
4 expenses pursuant to 11 U.S.C. §503(b); and for such other and further relief as the Court deems
5 just under the circumstances.

6
7 Respectfully submitted this 9th day of April, 2019.

8
9 STEPHEN R. HARRIS, ESQ.
HARRIS LAW PRACTICE LLC

10 */s/ Stephen R. Harris*

11 Proposed Attorneys for W. Donald Gieseke,
12 Trustee

VERIFICATION

I, W. DONALD GIESEKE, the Chapter 7 interim Trustee named in the foregoing
MOTION FOR ORDER AUTHORIZING TRUSTEE TO OPERATE BUSINESSES BY
RENTING REAL PROPERTIES AND PAY ONGOING ADMINISTRATIVE EXPENSES
RELATED THERETO PURSUANT TO 11 U.S.C. §§363(b)(1), 721 AND 503(b) hereby swear
that the statements therein contained are true according to the best of my knowledge, information,
and belief.

/s/ W. Donald Gieseke

W. DONALD GIESEKE
Chapter 7 Trustee

EXHIBIT “A”

EXHIBIT “A”

Entity	In Fed Complaint	In IDI Doc's		Address					
Dora Dog, LLC									
	Yes	Yes	820 Shell Avenue, Martinez, California 94553;						
	Yes		725 Main Street, Martinez, California 94553;						retail store
	Yes	Yes	31 Morello Heights Drive, Martinez, California 94553;						
	Yes	Yes	28 Millthwait Drive, Martinez, California 94553;						
	Yes	Yes	1208 Roseann Drive, Martinez, California 94533;						
	Yes		202 Valley View Place, El Sobrante, California, 94803;						
	Yes	Yes	207 Valley View Place, El Sobrante, California, 94803;						
	Yes	Yes	208 Valley View Place, El Sobrante, California, 94803;						
	Yes	Yes	214 Valley View Place, El Sobrante, California, 94803;						
	Yes	Yes	30 Pebble Dunes Court, Las Vegas, Nevada 89141;						
	Yes	Yes	3143 Old Tunnel Road, Lafayette, California 94549						
		Yes	180 Midhill Rd., Martinez, CA 94553						commercial
		Yes	2375 Yale Street, Martinez, CA 94553						(1)
		Yes	838 Marie Ave., Martinez, CA 94553.						
Dog Blue Properties, LLC									
	Yes	Yes	1108 Juniper Avenue, South Lake Tahoe, California 96150;						
	Yes	Yes	40 Iris Lane, Walnut Creek, California 94595;						
	Yes	Yes	4800 Blum Road, Apt 3, Martinez, California 94553;						
	Yes	Yes	4810 Blum Road, Apt 5, Martinez, California 94553;						
	Yes	Yes	811 Brown Street, Martinez, California 94553;						
	Yes		2375 Yale Street, Martinez, California 94553;						(1)
	Yes	Yes	250 Arana Drive, Martinez, California 94553						
		Yes	1035 Marie Ave., Martinez CA 94553						
		Yes	1062 Mohr Lane, #C, Concord, CA 94518						
		Yes	1308 Villa Estancia, Cabo San Lucas, Mexico						
		Yes	2505 Villa La Estancia, Cabo San Lucas, Mexico						
		Yes	1709 Villa Estancia, Cabo San Lucas, Mexico						

		Yes	1605 Villa Estancia, Cabo San Lucas, Mexico			
		Yes	2606 Villa Estancia, Cabo San Lucas, Mexico			
		Yes	2706 Villa La Estancia, Cabo San Lucas, Mexico			
		Yes	2801 Villa La Estancia, Cabo San Lucas, Mexico			
		Yes	2805 Villa Estancia, Cabo San Lucas, Mexico			
		Yes	3209 Villa Estancia, Cabo San Lucas, Mexico			
		Yes	3409 Villa Estancia, Cabo San Lucas, Mexico			
Brandy Boy Properties, LLC						
	Yes	Yes	3779 Overlook Court, South Lake Tahoe, California 96150;			
	Yes	Yes	4101 Lake Tahoe Blvd, South Lake Tahoe, CA 96150, Unit 217;			
	Yes	Yes	4101 Lake Tahoe Blvd, South Lake Tahoe, CA 96150, Unit 225;			
	Yes	Yes	7373 E. Clubhouse Drive, #14, Scottsdale, Arizona 85266;			
	Yes	Yes	1619 Greenside Drive, Round Rock, Texas 78665.			
140 Mason Circle, LLC						
	Yes	Yes	140 Mason Circle, Concord, CA 94520			
Park Road, LLC						
	Yes	Yes	4901 Park Road, Benicia, CA 94510			
475 Channel Road, LLC						
		Yes	475 E. Channel Road, Benicia, CA 94510			